



# Appropriations Update

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## LABOR, HEALTH AND HUMAN SERVICES, AND EDUCATION APPROPRIATIONS BILL FOR FISCAL YEAR 2005 – H.R. 5006

### SUMMARY

The Labor, Health and Human Services, and Education [Labor-HHS] appropriations bill reported to the House on 7 September 2004 (H.R. 5006; H.Rept. 108-636) provides new budget authority equal to the 302(b) suballocation to the Labor-HHS subcommittee for fiscal year 2005.

The bill is consistent with the appropriate levels in the budget resolution for fiscal year 2005 (S.Con.Res. 95, as applied in the House of Representatives by H.Res. 649, 108<sup>th</sup> Congress). Therefore it complies with provisions of the Congressional Budget Act.

### COST OF THE LEGISLATION

H.R. 5006 provides \$142.526 billion in new budget authority [BA] and \$141.117 billion in outlays for fiscal year 2005 – an increase of \$2.811 billion in BA and \$3.98 billion in outlays from fiscal year 2004 (see Table 1 below). The bill provides \$223 million more BA than included in the President's request.

The bill does not contain emergency-designated new BA. The bill does include \$100 million in rescissions of previously enacted budget authority. It also provides \$19.275 billion in advance appropriations for fiscal year 2006, and \$400 million for fiscal year 2007 (see next page for details).

**Table 1: Labor, HHS, Education Appropriations Bill**  
(fiscal years; millions of dollars)

	<b>2004 Spending</b>	<b>Administration 2005</b>	<b>302 (b) for 2005</b>	<b>Bill</b>
Budget Authority	139,715	142,303	142,526	142,526
Outlays	137,137	140,711	141,117	141,117

### COMPLIANCE WITH THE BUDGET RESOLUTION

The bill provides budget authority for fiscal years 2005, 2006, and 2007. It complies with sections 302(f) and 311(a) of the Budget Act. The first of these prohibits consideration of bills that exceed a subcommittee's 302(b) suballocation of new BA. The second prohibits consideration of legislation that exceeds the aggregate levels of BA and outlays established in the budget resolution. The bill also complies with section 401 of the budget resolution, which provides for restrictions on advance appropriations.

The \$142.526 billion in new discretionary BA is equal to the suballocation for the Subcommittee on Labor, Health and Human Services, and Education; outlays are also equal to the allocation.

Because only one appropriations bill for fiscal year 2005 has been enacted, there is ample room under the budget authority ceiling and hence the bill would not violate section 311(a).

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Under the budget resolution, budget authority provided for fiscal years 2006 and 2007 – advance appropriations – is limited to a total of \$23.158 billion for fiscal year 2006, and is unlimited for 2007. For each of those years, only certain accounts, listed in the resolution’s statement of managers, are eligible for advance appropriations.

The bill provides \$19.275 billion in advances in 2006 and \$400 million in 2007. All accounts included in the bill were listed in the resolution and are eligible for appropriations. Since no advance appropriations have yet been enacted, the amounts provided by the bill does not cause a breach in the limit; hence, this bill does not violate the budget resolution.

**Table 2: Discretionary Spending in the Labor, HHS, and Education Appropriations Bill**  
(in millions of dollars)

	2004 Budget Authority	2004 Outlays	2005 Budget Authority	2005 Outlays	Difference BA	Difference Outlays
Education .....	55,650	54,172	57,680	56,473	2,030	2,301
Health and Human Services - Other .....	35,517	35,254	35,376	35,627	-141	373
HHS - National Institute of Health .....	27,800	26,261	28,528	27,735	728	1,474
Labor .....	11,729	12,419	11,626	12,087	-103	-332
Other Agencies .....	9,019	9,031	9,316	9,195	297	164
<b>Total .....</b>	<b>139,715</b>	<b>137,137</b>	<b>142,526</b>	<b>141,117</b>	<b>2,811</b>	<b>3,980</b>

## DISCUSSION

The bill is \$2.811 billion above 2004 spending (see Table 2 above), and is \$223 million above the President’s request. Significant differences include the following:

- *Education \$2.030 billion:* The bill provides additional funding over 2004 for elementary and secondary education accounts (\$1.221 billion), Federal student aid (\$752 million), special education (\$678 million), and other accounts (\$55 million). These increases are partially offset by decreases in school improvement and innovation (\$433 million), post-secondary education (\$104 million), vocational education (\$84 million) and the safe schools programs (\$55 million).

Relative to the President’s request, the bill provides a net \$341-million increase. Higher spending is provided for vocational education (\$423 million), elementary and secondary education (\$52 million), Federal student aid (\$37 million), and other accounts (\$97 million). These increases are offset by a reduction in school improvement and innovation programs (\$215 million), safe school programs (\$38 million) and departmental management (\$15 million).

- *Health and Human Services \$587 billion:* The bill provides additional funding over 2004 for the National Institutes of Health (\$728 million); Departmental

Management (\$214 million); the Substance Abuse and Mental Health Administration (\$36 million); Administration for Children and Families (\$65 million); and other increases (\$401 million). These increases are partially offset by reductions to Health Resources and Services Administration (\$359 million), the Center for Disease Control (\$302 million), and the Centers for Medicare and Medicaid Services (\$196 million).

The bill provides a net \$304 million more than the President’s request due to increases for Health Resources and Services Administration (\$282 million), the Center for Medicare and Medicaid Services (\$177 million), the Centers for Disease Control (\$110 million) and other increases (\$423 million). These increases were partially offset by reductions to the request for the Administration for Children and Families (\$529 million) and the Substance Abuse and Mental Health Administration (\$159 million).

- *Labor -\$103 million:* The bill provides lower funding than 2004 for Department Management (\$84 million) and the Employment and Training Administration (\$62 million). These are partially offset by increases in the Employment Standards Administration (\$11 million), the Bureau of Labor Statistics (\$11 million), the Employee Benefits Security Administration (\$8

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million), the Mine Safety Administration (\$7 million), and other programs (\$6 million).

The bill provides \$254 million less than the President through reductions in the Employment and Training Administration (\$213 million), departmental management (\$37 million), and the Employment Standards Administration (\$6 million), slightly offset by increases in other programs (\$2 million).

- *Energy:* The bill provides the same level of funding for Department of Energy Weatherization Grants as 2004, and \$64 million less the President’s request.

- *Other, \$297 million:* The bill provides \$348 million more for the Social Security Administration , \$6 million more for the National Labor Relations Board and \$1 million more for Federal Mediation Services, which are partially offset by a total reduction of \$58 million in various independent agencies that are funded in this bill.

The bill provides \$104 million less than the President’s request in the following agencies: the Social Security Administration (\$81 million); the Corporation for National and Community Service (\$22 million); and the Railroad Retirement Board (\$1 million).

### CHANGES IN MANDATORY PROGRAMS

The bill contains changes to mandatory programs – programs not subject to annual appropriations – worth \$9 million in BA and \$16 million in outlays.

The first increases BA and outlays by \$9 million as a result of a general fund payment to the Centers for Medicare and Medicaid Services’ Transitional Assistance Account.

The other provision increases outlays in the Temporary Assistance for Needy Families program by \$7 million.

Though these provisions are mandatory and under the jurisdictions of the appropriate authorizing committees, the costs are counted against the allocation to the Labor-HHS subcommittee.

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